

STATE OF NEW YORK

3060

2021-2022 Regular Sessions

IN SENATE

January 27, 2021

Introduced by Sens. RIVERA, MAY, SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Health

AN ACT to amend the public health law, in relation to requirements for residential health care facilities and nursing homes

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 2801-a of the public health law is amended by
2 adding two new subdivisions 2-b and 3-b to read as follows:

3 2-b. With respect to the incorporation or establishment of any nursing
4 home, in addition to the requirements set forth in subdivision two of
5 this section, after the filing of an application the public health and
6 health planning council shall (a) provide notice to the public, nursing
7 homes residents and their representatives, staff and their represen-
8 tatives, and the state office of the long-term care ombudsman and the
9 regional office having geographical jurisdiction of the area where the
10 proposed institution is to be located of the proposed certificate or
11 application on the department's website within thirty days of receipt;
12 provide a mechanism to submit written comments electronically on the
13 proposed certificate or application to the public health and health
14 planning council; and provide at least ninety days for such comment
15 period, and (b) forward a copy of the proposed certificate or applica-
16 tion for establishment, and accompanying documents, to the state office
17 of the long-term care ombudsman and the regional office having geograph-
18 ical jurisdiction of the area where the proposed institution is to be
19 located within thirty days of receipt. The public health and health
20 planning council shall act upon such application after the state office
21 of the long-term care ombudsman, regional office and the public have had
22 a reasonable time, but not less than ninety days, to submit their recom-
23 mendations. At the time members of the public health and health planning
24 council are notified that an application is scheduled for consideration,
25 the applicant, the public, the state office of the long-term care

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 ombudsman and the regional offices, shall be so notified in writing
2 which may be through electronic means. The public health and health
3 planning council shall afford the applicant an opportunity to present
4 information in person concerning the application to a committee desig-
5 nated by the council. The public health and health planning council
6 shall not take any action contrary to the advice of the public, the
7 state office of the long-term care ombudsman or the regional office
8 until it affords such entities an opportunity to request a public hear-
9 ing and, if so requested, a public hearing shall be held. If the public
10 health and health planning council proposes to disapprove the applica-
11 tion it shall afford the applicant an opportunity to request a public
12 hearing. The public health and health planning council may hold a public
13 hearing on the application on its own motion. Any public hearing held
14 pursuant to this subdivision may be conducted by the public health and
15 health planning council, or by any individual designated by the public
16 health and health planning council. The provisions of subdivision two of
17 this section which are not inconsistent with this subdivision shall
18 apply to nursing homes.

19 3-b. With respect to an application for a certificate of incorpo-
20 ration, articles of organization or application for establishment of a
21 nursing home, in addition to the criteria set forth in subdivision three
22 of this section, the public health and health planning council shall not
23 issue an approval unless they have afforded an adequate opportunity of
24 not less than ninety days to members of the public, residents and their
25 representatives, staff and their representatives, the state office of
26 the long-term care ombudsman and the regional offices to comment through
27 the department's website and through other means on the application, the
28 character and competency of the individuals applying, and/or the
29 consistently high level of care that has or has not been rendered by an
30 applicant where one or more individuals or entities with a five percent
31 or greater ownership interest in the applicant has a five percent or
32 greater ownership interest in a facility located in the United States
33 that has on average for any of the four most recent quarters, three
34 hours or less total direct care staff time per resident per day or less
35 than one-half hour per resident per day registered nurse staffing, as
36 published by the Center for Medicare and Medicaid Services in the feder-
37 al center for Medicare and Medicaid Services' (CMS) payroll based jour-
38 nal data or where there have been violations of the state or federal
39 nursing home code, or other applicable rules and regulations, that
40 threatened to directly affect the health, safety or welfare of any
41 patient or resident, including but not limited to a finding of immediate
42 jeopardy, or actual harm, and were recurrent or were not promptly
43 corrected, including but not limited to repeat deficiencies for the same
44 or similar violations over a three year period or during the entire
45 duration of ownership if less than three years, or any facility which
46 has received a Double G citation issued by the Centers for Medicare and
47 Medicaid Services in the prior three years. The public health and health
48 planning council shall also consider whether the proposed incorporators,
49 directors, sponsors, stockholders, members or operators of a nursing
50 home have affiliations with or interests in a facility anywhere in the
51 United States which: (i) is listed on the CMS special focus facility
52 list, or its successor, or (ii) is listed on the CMS special focus
53 facility candidate list, or its successor, or (iii) received inadequate
54 performance scores over the previous three years on the New York state
55 nursing home quality initiative or on similar quality measurement initi-
56 atives or tools, or (iv) has been in receivership; closed as a result of

a settlement agreement from a decertification action or licensure revocation; or has been involuntarily terminated from the Medicare or Medicaid program in the prior five years, or (v) has been convicted of patient abuse, neglect or exploitation, or (vi) has been the subject of an enforcement action by the state Medicaid fraud control unit or the federal health and human services office of inspector general, or (vii) has outstanding violations with the national labor relations board or the occupational safety and health administration. The provisions of subdivision three of this section which are not inconsistent with this subdivision shall apply to nursing homes.

§ 2. Section 2803-x of the public health law, as added by chapter 677 of the laws of 2019, is amended to read as follows:

§ 2803-x. Requirements related to residential health care facilities and related assets and operations. 1. The operator of a residential health care facility shall notify the commissioner of any common or familial ownership of any corporation, other entity or individual providing services to the operator or the facility. Such information shall also be included in the residency agreement for prospective residents and as addendums for residents currently residing in the residential health care facility. The operator shall notify the department at least ninety days prior to entering into any new common or familial ownership of any corporation, or other entity or individual providing services to the operator of the facility. The operator shall also provide notification to all residents and their representatives, staff and their representatives, and the state office of the long-term care ombudsman.

2. The operator of a residential health care facility shall, on an annual basis, attest to the department, in a form determined by the department, to the accuracy of the information provided to the department under this section.

3. The operator of a residential health care facility may not enter into any arrangement to guarantee the debt or other obligation of a party which has not received establishment approval.

4. The operator of a residential health care facility shall notify the department at least ninety days prior to executing a letter of intent or other contractual agreement related to:

a. the sale, mortgaging, encumbrance, or other disposition of the real property of the facility; and

b. the management, operations, staffing agency or other entity to be involved in the operations of the facility.

5. The department, shall, within ten days after receipt of a notification required under subdivision four of this section, notify the state office of the long-term care ombudsman of an operator of a residential health care facility's intent to execute a letter of intent or other contractual agreement related to:

a. the sale, mortgaging, encumbrance, or other disposition of the real property of the facility; and

b. the management, operations, staffing agency or other entity to be involved in the operations of the facility.

6. The operator of a residential health care facility shall notify all residents and their representatives, staff and their representatives, and the state office of the long-term care ombudsman within five days of executing a letter of intent or other contractual agreement as described in paragraphs a and b of subdivision four of this section. The department shall make regulations and take other actions to implement procedures for such notification.

1 7. The operator of a residential health care facility shall retain
2 sufficient authority and control to discharge its responsibilities and
3 the department shall by regulations outline those elements of control
4 which shall not be delegated to a managing entity.

5 8. Any new owner, operator or management company of a residential
6 health care facility shall retain all employees for a sixty-day transi-
7 tion period, except for the nursing home administrator and the director
8 of nursing, and shall not reduce the wages or benefits, or modify any
9 other terms and conditions of employment, economic or otherwise during
10 the transition period.

11 9. In any instance where a residential health care facility is sold or
12 otherwise transferred and used for a purpose which is not a health care
13 purpose, the operator shall remit to the department an amount equivalent
14 to the undepreciated value of capital assets for which the provider has
15 been funded or reimbursed through Medicaid rate adjustments or otherwise
16 funded or reimbursed with resources provided by the state for the
17 purpose of improvement or transformation.

18 § 3. This act shall take effect immediately.